

**Introduced by Senator Wyland**

February 26, 2009

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An act to add Sections 862 and 15002 to the Financial Code, relating to financial institutions.

LEGISLATIVE COUNSEL'S DIGEST

SB 394, as introduced, Wyland. Financial institutions: charge disputes.

Existing law provides for the certification and regulation of state organized banks and credit unions by the Commissioner of Financial Institutions. Existing law prohibits a bank from imposing a charge on a savings account, as defined, or on a depositor for the failure of a depositor to deposit, or for the late deposit of, any agreed periodic installment deposit into that account. Existing law authorizes a credit union to assess charges for failure to meet punctuality obligations to the credit union.

This bill would authorize a depositor of a bank, or a member of a credit union, to dispute, or seek to correct, any charge imposed upon that person's account that the person claims is fraudulent, incorrect, or inappropriate at any time within one year after the charge is imposed.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 862 is added to the Financial Code, to
- 2 read:
- 3 862. A depositor may dispute, or seek to correct, any charge
- 4 imposed upon the depositor's account that the depositor claims is

- 1 fraudulent, incorrect, or inappropriate at any time within one year
- 2 after the charge is imposed.
- 3 SEC. 2. Section 15002 is added to the Financial Code, to read:
- 4 15002. A member may dispute, or seek to correct, any charge
- 5 imposed upon the member's account that the member claims is
- 6 fraudulent, incorrect, or inappropriate at any time within one year
- 7 after the charge is imposed.